

Attachment 1

7/28 document



United States Environmental Protection Agency

Wheel Weight Manufacturing Industry Questionnaire

July 29, 2010

Economic and Policy Analysis Branch
Economics, Exposure and Technology Division
Office of Pollution Prevention and Toxics
U.S. Environmental Protection Agency

Please contact:
Dave Mancinelli
Abt Associates, Inc.
(617) 349 – 2352
david_mancinelli@abtassoc.com

I. General Manufacturer Identification Information

Please verify that the information that we have for your company is accurate. Please correct any errors or complete any missing information on the lines following questions 1 through 8 below. Please consult appropriate staff at your company as necessary to obtain the correct information.

1. The name of your company:

2. The name and location of plants producing lead wheel weights:

Plant name:

City/State:

Plant name:

City/State:

Plant name:

City/State:

The address of your company (mailing address and physical address, if different):

3. *Mailing:*

Address 1:

Address 2:

City/State/Zip:

Physical:

Address 1:

Address 2:

City/State/Zip:

4. The name and address of your ultimate parent company (if different):

Name:

Address 1:

Address 2:

City/State/Zip:

5. Your company's website address:

6. Your contact information:

Name:

Title:

Telephone number:

E-mail address:

II. General Company Information

1. Annual revenue of your company in 2009:

or

- ☐ Less than \$7 million
☐ \$7 million or greater

2. Number of employees at your company:

or

- ☐ Less than 500
☐ 500 – 749
☐ 750 or more

3. Annual revenue of your ultimate parent company in 2009 (if different):

or

- ☐ Less than \$7 million
☐ \$7 million or greater

4. Number of employees at your ultimate parent company (if different):

or

- ☐ Less than 500
☐ 500 – 749
☐ 750 or more

III. Planned Lead-Free Wheel Weight Manufacturing

This section is intended to address your company's plans (if any) for replacing current lead wheel weight manufacturing with lead-free wheel weight manufacturing.

1. Does your company currently manufacture wheel weights containing lead?

- ☐ Yes
☐ No

2. Does your company currently manufacture lead-free wheel weights?

- ☐ Yes
☐ No

If yes, what type of metal is used as a substitute?

- ☐ Steel (not stainless)
☐ Stainless Steel
☐ Zinc
☐ Polymer Composite
☐ Other

3. Does your company have existing plans to switch some or all of your manufacturing capacity to producing lead-free wheel weights (*that you have not already switched*)?

- ☐ Yes
☐ No

3a. What percentage of your manufacturing capacity do you intend to convert to producing lead-free wheel weights in the future?

3b. What is the timeframe for the planned conversion to lead-free wheel weights?

3c. What is the reason for your decision to produce more lead-free wheel weights?

IV. One-Time Costs

This section is intended to address the one-time or start-up costs associated with changing all existing production capacity from lead wheel weight manufacturing into lead-free wheel weight manufacturing.

When estimating these costs, only include changes that would need to be made in addition to changes you have already made or that you have already planned on making.

One-time costs might include:

- *adding new equipment*
- *retrofitting old equipment*
- *research and development for producing lead-free wheel weights*
- *initial administrative activities*
- *initial training costs*
- *initial changes to production line systems*
- *any other non-recurring activities*

1. Please provide your estimate of total one-time costs in the space provided.

No comment

2. Please provide a brief description of the necessary changes that would be involved with the conversion.

Addition of all new process steel equipment and tooling to support additional steel volume from lead.

V. Recurring Costs

This section is intended to address the recurring costs associated with changing all existing production capacity from lead wheel weight manufacturing into lead-free wheel weight manufacturing.

When estimating these costs, only include changes that would need to be made in addition to changes you have already made or that you have already planned on making.

Recurring costs might include:

- *differences in price of raw metals, adhesive materials, or coating material*
- *physical differences in the production process, such as higher costs of heating non-lead metals*
- *differences in labor costs*

Costs should represent the annual difference of producing lead-free weights over lead weights.

Example: the cost of raw metals might be calculated as:

- *W = annual number of lead-free weights that would be produced instead of lead weights*
- *LF = price of non-lead metal per weight; L = price of lead per weight*
- *Total annual difference = (LF - L) x W*

1. Please provide your estimate of the annual cost difference for recurring activities in the space provided.

No comment

2. Please provide a brief description of the differences in production that would be involved after the conversion.

Lead is a casting process while steel is a stamping operation with much higher tooling expenses and all new equipment due to completely new process for manufacturing.

3. Would you expect to be able to recoup extra costs by charging a higher price per weight?

Yes but do not expect to cover all the cost increases

4. Is there any other information that you think is necessary for understanding the changes/costs associated with switching from manufacturing lead wheel weights to lead-free wheel weights?

Lead wheel weight manufacturing is a die casting operation where most of the equipment and tooling is depreciated. The new steel processes will require significant capital investments to start up on both equipment and tooling. There is also additional expense related to training complete new processes throughout plant personnel.

*Thank you! Your input is greatly appreciated!
Please return completed questionnaire to:*

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